

REMARKS

The Examiner has rejected claims 1-5, 13-15 and 17-26 under 35 USC 103(a) as being unpatentable in view of Basemen (U.S. Pat. No. 6,671,673) in view of Lewis (U.S. Pat. No. 6,513,019).

In the Examiner's previous rejections, the Examiner has equated the term "financial capacity" with "cash position". Applicant respectfully submits that the terms are not equivalent and refer to different elements of the invention. Accordingly, Applicant has amended the claim to more clearly reflect this distinction.

Specifically, claim 1 now recites a computerized method of monitoring financial affairs of a business having electronic records of financial accounts, the method comprising the steps of:

- determining a financial capacity of the business in accordance with one or more predefined business metrics *exclusive of a cash position*;

- providing a software system for monitoring a cash position of the business, said software system including one or more predetermined limits defined by the financial capacity of the business;

- permitting said software system to periodically connect to the electronic records to receive updated transaction information to calculate a current cash position;

- calculating a cash position of the business in respect of a proposed transaction by the business;

- calculating a permitted cash position based on said updated transaction information and said one or more limits defined by said financial capacity;

- comparing the calculated cash position of the business after said proposed transaction to said permitted cash position; and

- providing an indication of whether the proposed transaction will cause the business to fall outside of any of said limits defined by said financial capacity.

A similar amendment has been made to independent claim 21, which is the corresponding system claim to the method described above. Accordingly, Applicant submits that there can no longer be any confusion that the financial capacity is determined using metrics other than the cash position of the business. Further, one of ordinary skill in the art will appreciate that, as

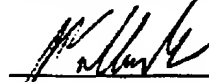
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claimed, the cash position of the business is determined using limits defined by the financial capacity of the business. Thus, they cannot be one and the same.

Since Applicant submits that independent claims 1 and 21 as amended overcome the Examiner's rejections, dependent claims 2-5, 13-15 and 17-20 and 22-30 are likewise allowable.

Favourable consideration of the subject patent application is respectfully requested.

Respectfully submitted,



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